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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended March 31, 1992

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 33-15433 and 33-1543

QUEEN CITY BROADCASTING OF NEW YORK, INC. QUEEN CITY BROADCASTING, INC.
(Exact name of registrant as specified in its charter)

NEW YORK	DELAWARE
(State or other jurisdiction of incorporation or organization)	(State or other jurisdiction of incorporation or organization)
13-3315942	13-3285054
(I.R.S. Employer Identification Number)	(I.R.S. Employer Identification Number)

30 ROCKEFELLER PLAZA, 29TH FLOOR, NEW YORK, NEW YORK 10112
(Address of principal executive offices) (Zip Code)

Registrants' telephone number, including area code: (212) 698-7760

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No____

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

1,010,000 shares of common stock of Queen City Broadcasting, Inc. were outstanding at May 1, 1992. 100 shares of common stock of Queen City Broadcasting of New York, Inc., all of which are owned by Queen City Broadcasting, Inc., were outstanding at May 1, 1992.

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PART I. FINANCIAL INFORMATION
QUEEN CITY BROADCASTING, INC.
CONSOLIDATED BALANCE SHEETS

	March 31, 1992 (unaudited)	December 31, 1991 (audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,694,700	$ 2,421,314
Accounts receivable, net	3,707,909	4,932,320
Program rights	1,679,951	2,523,723
Prepaid expenses and other current assets	252,339	126,864
Total current assets	8,334,899	10,004,221
Property, plant and equipment, at cost:	15,104,096	15,000,034
Less accumulated depreciation	10,420,194	10,270,194
Property, plant and equipment, net	4,683,902	4,729,840
Intangible assets, net	42,803,723	43,121,110
Deferred financing charges, net	685,816	717,412
Program rights—noncurrent portion	544,244	579,626
Other assets	4,635	5,250
	$57,057,219	$59,157,459
LIABILITIES AND NET CAPITAL DEFICIENCY		
Current liabilities:		
Long term debt-current	$ 2,000,000	$ 2,000,000
Accounts payable	189,357	535,312
Accrued interest	1,257,594	1,225,481
Accrued compensation	379,695	399,363
Other accrued liabilities	232,980	229,956
Program rights payable	1,546,981	2,251,298
Total current liabilities	5,606,607	6,641,410
Program rights payable—noncurrent portion	547,945	598,668
Long-term debt	65,198,752	64,794,690
Net capital deficiency:		
Common stock—$.01 par value, authorized 2,000,000 shares; outstanding 1,010,000 shares after deducting 10,000 shares held in treasury	10,100	10,100
Additional paid-in capital	10,089,900	10,089,900
Accumulated deficit	(24,396,085)	(22,977,309)
Total net capital deficiency	(14,296,085)	(12,877,309)
	$57,057,219	$59,157,459

QUEEN CITY BROADCASTING, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three months ended	
	March 31, 1992	March 31, 1991
Gross revenues	$ 5,445,197	$ 5,304,145
Less agency commissions	736,838	707,007
Net revenues	4,708,359	4,597,138
Costs and expenses:		
Direct operating	2,514,593	2,619,945
Selling, general and administrative	1,221,708	1,086,602
Depreciation	150,000	540,000
Amortization of intangible assets	317,387	317,332
Total operating expenses	4,203,688	4,563,879
Operating income	504,671	33,259
Interest expense	1,906,324	2,027,619
Amortization of deferred financing charges	31,596	31,650
Other income, net	(21,973)	(41,947)
Loss before income taxes and extraordinary item	(1,411,276)	(1,984,063)
Income taxes	7,500	30,000
Net loss	$(1,418,776)	$(2,014,063)
Per common share:		
Net loss	$(1.40)	$(1.99)
Average common shares outstanding during the period	1,010,000	1,010,000

QUEEN CITY BROADCASTING, INC.

CONSOLIDATED STATEMENT OF NET CAPITAL DEFICIENCY (UNAUDITED)

	Common Stock	Paid-in Capital	Accumulated Deficit	Total
Balance at December 31, 1991.....	$10,100	$10,089,900	$(22,977,309)	$(12,877,309)
Net loss for the period.....	—	—	(1,418,776)	(1,418,776)
Balance at March 31, 1992.....	$10,100	$10,089,900	$(24,396,085)	$(14,296,085)

QUEEN CITY BROADCASTING, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Three Months Ended	
	March 31, 1992	March 31 1991
Cash flows from operating activities:		
Net loss	$(1,418,776)	$(2,014,06
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	150,000	540,00
Amortization of intangibles	317,387	317,33
Amortization of deferred financing charges	31,596	31,65
Deferred interest—subordinated note	404,062	525,35
Decrease (increase) in:		
Accounts receivable	1,224,411	682,21
Program rights—current	843,772	761,82
Prepaid expenses and other current assets	(125,475)	(106,86
Increase (decrease) in:		
Accounts payable	(345,955)	(37,79
Accrued interest	32,113	32,11
Accrued compensation	(19,668)	(20,88
Other accrued liabilities	3,024	19,74
Program rights payable—current	(704,317)	(735,05
Decrease (increase) in program rights—noncurrent	35,382	196,90
Increase (decrease) in program rights payable—noncurrent	(50,723)	(334,46
Total adjustments	1,795,609	1,872,06
Net cash provided by (used for) operating activities	376,833	(141,99
Cash flows from investing activities:		
Capital expenditures	(104,062)	(360,63
Receipts from (payment for) other assets	615	24,32
Net cash used for investing activities	(103,447)	(336,30
Net increase (decrease) in cash and cash equivalents	273,386	(478,29
Cash and cash equivalents at beginning of period	2,421,314	3,057,36
Cash and cash equivalents at end of period	$ 2,694,700	$ 2,579,06
Supplemental disclosures of cash flow information:		
Cash paid for:		
Interest	$ 1,470,150	$ 1,470,15
Supplemental schedule of non-cash operating activities:		
Addition to program rights	$ 77,000	---

QUEEN CITY BROADCASTING, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. The results presented in the financial statements are unaudited, but in the opinion of management contain all adjustments necessary for a fair presentation of the results of operations. The results of operations include the accounts of Queen City Broadcasting, Inc. and its wholly-owned subsidiary, Queen City Broadcasting of New York, Inc., collectively referred to as the "Company."

Revenues

Revenues are derived principally from national and local advertising and to a lesser extent from network compensation. The following table sets forth sources of revenues for the periods indicated (dollars in thousands):

	Three Months Ended March 31,		
	1992	1991	Increase (Decrease)
National/Regional Advertising	$ 2,390	$ 2,076	$ 314
Local Advertising	2,724	2,908	(184)
Network Compensation	280	281	(1)
Other	51	39	12
Gross Revenues	$ 5,445	$ 5,304	$ 141

First Quarter Ended March 31, 1992 Compared With First Quarter Ended March 31, 1991

Gross revenues for the first quarter 1992 were $5,445,197 compared with $5,304,145 for the first quarter 1991, an increase of 2.7%. National/Regional revenue for the first quarter 1991 increased $314,000 or 15.1% due to increases in corporate, paid programming, automotive, and retail categories of revenue. Local revenues for the first quarter decreased $184,000 or 6.3%. The decrease was caused by a decrease in Superbowl revenue (the game was carried by CBS in 1992), and decreases in banking, automotive, and health and fitness categories of revenue. The decreases were offset in part by increased revenue from paid programming.

Total Operating Expenses for the first quarter were $4,203,688 in 1992 compared with $4,563,879 in 1991, a decrease of 7.9%. The expense reduction was caused by less depreciation due to the assets purchased at acquisition being fully depreciated, also savings in News and Program department costs. The savings were offset in part by increases in General and Administrative, Promotional, and Sales department expenses.

Net Interest Expense (interest expense less interest income) for the first quarter 1992 decreased $101,321. The decrease is a result of the agreement between the Company and Capital Cities/ABC to amend the subordinated note due to Capital Cities. The amendment deferred all interest payments until July 2, 1993 and reduced the rate of interest from 13.5% to 8.5% per annum effective January 2, 1992 through July 2, 1993.

Net Loss for the first quarter was $1,418,776 in 1992 compared with $2,014,063 in 1991, a decrease of 29.6%. The decrease is attributable to the revenue increases and the decreases in depreciation and interest expense as described in the preceding paragraphs. Net Loss Per Common Share was $1.40 for the first quarter 1992 compared with $1.99 for the first quarter 1991.

Liquidity and Capital Resources

At March 31, 1992 cash and cash equivalents increased to $2,694,706 from $2,579,062 at March 31, 1991 due to increased revenues.

Station Broadcast Cash Flow (station operating income before non-cash items such as depreciation, amortization of intangibles, and certain cash items such as interest expense and corporate overhead expenses) for the quarter ended March 31, 1992 increased $140,512 from the quarter ended March 31, 1991. The increase is attributable to increased revenue and expense savings in News and Program departments.

A bank line of credit of $5,000,000 is available for general corporate and working capital purposes. As of May 1, 1992 all of the line was available.

PART II

OTHER INFORMATION

ITEM 1. Legal Proceedings

Neither the Company nor Queen City is a party to any law suit or legal proceeding which, in the opinion of management, individually or in the aggregate, is likely to have a material adverse effect on the Company or Queen City.

ITEM 2. Changes in Securities

Not applicable

ITEM 3. Defaults Upon Senior Securities

Not applicable

ITEM 4. Submission of Matters to a Vote of Security Holders

Not applicable

ITEM 5. Other Information

Not applicable

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Indenture between Queen City Broadcasting, Inc., Queen City Broadcasting of New York, Inc. and Manufacturers Hanover Trust Co., as trustee, incorporated by reference from exhibits to the registrants' annual report on Form 10-K, pp. 70-189 filed with the Securities and Exchange Commission on March 30, 1988.

(b) Reports on Form 8-K

None filed during first quarter 1992

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QUEEN CITY BROADCASTING OF NEW YORK, INC.
(Registrant)

Date: May 11, 1992

(Signature)

Paul J. Cassidy
President and
Chief Operating Officer

Date: May 11, 1992

(Signature)

Kenneth J. Koller
Vice President and
Chief Financial Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QUEEN CITY BROADCASTING, INC.
(Registrant)

Date: May 7, 1992

(Signature)

Paul J. Cassidy
President and
Chief Operating Officer

Date: May 7, 1992

(Signature)

Kenneth J. Koller
Chief Accounting Officer